

**THE REGULAR MEETING
OF THE
BOARD OF DIRECTORS
TRABUCO CANYON WATER DISTRICT
AUGUST 18, 2010**

The Regular Meeting of the Board of Directors of the Trabuco Canyon Water District (TCWD) was called to order by President Mike Safranski at 7:00 p.m. at Trabuco Canyon Water District's office located at 32003 Dove Canyon Drive, Trabuco Canyon, California. Teresa Teichman, Secretary to the Board of Directors, recorded and transcribed the minutes thereof.

DIRECTORS PRESENT

Mike Safranski, President
Ed Mandich, Vice President
Jim Haselton, Director
Matt Disston, Director

DIRECTORS ABSENT

Glenn Acosta, Director

STAFF PRESENT

Don Chadd, General Manager
Hector Ruiz, District Engineer
Teresa Teichman, Board Secretary
Michael Perea, Special Projects Manager

PUBLIC PRESENT

A member of the public was present

CONSULTANTS PRESENT

Rob Anslow, Legal Counsel

PLEDGE OF ALLEGIANCE

Vice President Mandich led the Board and staff in the pledge of allegiance.

1 **VISITOR COMMENTS**

2 There were no public comments.

3 **ORAL COMMUNICATION**

4 There were no oral or written comments.

5 **DIRECTOR'S COMMENTS**

6 Director Haselton noted he was unable to attend the last ISDOC meeting.

7
8 Director Disston provided a recap from the recent SOCWA Committee meeting as it
9 relates to the public outreach effort in support of permit amendment. Director Disston advised
10 the case is currently in a 270 day appeal process. He also advised the general manager would be
11 receiving an additional invoice from SOCWA for legal fees incurred by SOCWA.

12 President Safranski congratulated his two fellow Board members who were up for
13 election in their successful election campaign.

14 **REPORT FROM THE GENERAL MANAGER**

15 Mr. Don Chadd, General Manager, congratulated President Safranski, Director Acosta,
16 and Vice President Mandich for their pending appointment in the upcoming November, 2010
17 elections.

18 Mr. Chadd read a letter from Peter Kuchinsky, Senior Risk Management Consultant for
19 ACWA/JPIA, in regard to his recent visit to TCWD. The letter commended TCWD's staff and
20 facilities, and there were no recommendations to correct as a result of his inspections.

21 Director Disston recognized Michael Perea, Special Projects Manager for his diligence in
22 keeping TCWD compliant.

23 President Safranski complemented Mr. Perea and staff for a great job and the positive
24 impact such results have for the District and its reputation.

25 Mr. Chadd provided information to the Board regarding a request for participation in
26 membership to the Water Education Foundation. Mr. Chadd stated staff takes no position and
27 offered to agendize this information if it be the pleasure of the Board.

28 Mr. Chadd also provided information in regards to ISDOC's call for Candidates.

CONSENT CALENDAR

President Safranski announced that all matters under the Consent Calendar would be approved by one motion unless a Board Member requests a separate action on a specific item.

MOTION: A motion was made by Director Disston and seconded by Director Haselton to approve the Consent Calendar, Item Nos. 1A through 1D, as presented. The motion carried 4-0 with Director Acosta absent.

ACTION CALENDAR

President Safranski stated that the General Manager and staff had reviewed all matters under the Action Calendar prior to the Board's consideration.

ADMINISTRATIVE MATTERS

ITEM NO. 1E. CONSIDERATION AND POSSIBLE ACTION REGARDING RATIFICATION OF THE ACWA HEALTH BENEFITS AUTHORITY BYLAWS AND JPA AGREEMENT

Mr. Perea presented this matter. Mr. Perea stated currently TCWD staff and directors are provided life insurance benefits through ACWA HBA. In 2009 ACWA HBA converted to a self-funded platform which has resulted in an increase of the fiduciary responsibilities.

Mr. Perea answered questions and recommended that the Board ratify the JPA Agreement and Bylaws which have been approved by the ACWA HBA Trustees.

MOTION: A motion was made by Director Disston and seconded by Vice President Mandich to move approval as submitted. The motion carried 4-0 with Director Acosta absent.

ITEM NO. 1F. STATUS UPDATE RELATING TO WATER MONITORING AND WATER CONSERVATION EFFORTS

Mr. Chadd discussed the data provided by MWDOC which represented

1 fiscal year 2009/2010. Mr. Chadd reported TCWD was successful in
2 remaining under its allocation of 2,847 acre feet with the use of 2,350 acre
3 feet during fiscal year 2009/2010. Mr. Chadd advised the aggregate total for
4 all MWDOC member agencies remained below the 15% required reduction for
5 fiscal Year 2009/2010.
6

7 Mr. Chadd reminded the Board TCWD's allocation for fiscal year
8 2010/2011 has been further reduced to 2,514 acre feet.
9

10 Each Director's residential consumption was reviewed.

11 The Board received and filed the status update.

12 **ITEM NO. 1G. CONSIDERATION AND POSSIBLE ACTION REGARDING THE**
13 **COUNTY OF ORANGE ALERTOC**

14 Michael Perea advised he and Mr. Chadd met with Kelly Hubbard of MWDOC for an
15 overview of AlertOC. AlertOC is Orange County's regional public mass notification system
16 which the County of Orange is providing as a free service through May 2012.

17 Mr. Chadd noted the majority of TCWD's customers that would elect to sign up for this
18 service would most likely already be registered through the City of Rancho Santa Margarita's
19 reverse 911 system which could be a duplication of services.

20 Mr. Chadd also reminded the committee of TCWD's Call-Em-All system which has been
21 configured by District meter reading routes. Mr. Chadd advised until such time that there is a
22 cost for this service, TCWD may want to consider participation.
23

24 The Board received the information and directed staff to bring back the Memorandum of
25 Understanding for approval by the Board.

26 **ENGINEERING MATTERS**
27
28

1 **ITEM NO. 1H. STATUS UPDATE RELATING TO BAKER WATER**
2 **TREATMENT FACILITIES**

3 Mr. Hector Ruiz, District Engineer, advised project costs for each participating agency
4 have been reconciled by IRWD and quarterly invoices for completion of the final design are
5 being prepared and are anticipated to go out to each participating agency in the near future.

6 Mr. Ruiz advised the Baker WTP Committee meeting was cancelled for July and August.

7 Mr. Chadd advised he is scheduled to meet with ETWD and IRWD next week to discuss
8 finance options for this project.

9 **ITEM NO. 1I. STATUS UPDATE AND POSSIBLE ACTION RELATING TO**
10 **ROSE CANYON AND LANG WELLS GROUNDWATER**
11 **TREATMENT FACILITIES**

12 Mr. Ruiz stated the contractor continues to make good progress at the site. Mr. Ruiz
13 updated the Committee as to the progress and phases of construction at the site, both current and
14 future.

15 Mr. Ruiz stated the two submittals for fiscal years 2006/2007 and 2007/2008 have been
16 received by the State Department of Public Health (DPH) and DPH has responded back with a
17 few questions. Mr. Ruiz is working with Mr. Perea and will be sending a response.

18 Mr. Ruiz advised he has sent a letter to the State DPH to extend the project completion
19 date from August 31, 2010 to February 28, 2011 which corresponds with the dates of the State
20 Revolving Fund Loan.

21 Mr. Chadd complimented Mr. Perea on his attention to detail on the submittals and
22 advised the Board the submittals must be submitted in sequential order of occurrence for
23 payment. Mr. Chadd stated the goal is to receive full reimbursement from the state by the end of
24 this fiscal year.

25 Mr. Chadd noted there has been less than half of a percent in change orders to date on
26 this project.

27 Director Disston asked if the stockpile of rocks located by Trabuco Creek Road which
28 were excavated from the project will be removed and/or redistributed by the completion of the
project. Mr. Chadd answered in the affirmative.

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2 **FINANCIAL MATTERS**

3 **ITEM NO. 1J. CONSIDERATION AND POSSIBLE ADOPTION ACTION**
4 **REGARDING FIXING THE EMPLOYER’S CONTRIBUTION**
5 **UNDER THE PUBLIC EMPLOYEES’ MEDICAL AND HOSPITAL**
6 **CARE ACT**

7 Mr. Perea reviewed this matter with the Board stating cost information for the health
8 plans were received after the approval of the budget. The budget projection included a 3% rate
9 increase for the current benchmark plan. Figures were received at a later date which reflect an
10 increase of 9% to the benchmark plan.

11 Mr. Perea provided a graph of TCWD employee and Director medical rates, by CalPERS
12 providers, which reflect dollar amounts above and below the benchmark representing what
13 TCWD currently contributes, or saves, per employee.

14 Mr. Chadd stated he feels any shortfall can be absorbed in the current budget.

15 RESOLUTION: A motion was made by Director Disston and seconded by Director
16 Haselton to adopt Resolution No. 2010-1140 which is entitled,
17 “Resolution of the Board of Directors of the Trabuco Canyon Water
18 District Fixing the Employer’s Contribution under the Public Employees’
19 Medical and Hospital Care Act.” The motion carried 4-0 with Director
20 Acosta absent.

21 **ITEM NO. 1K. DISCUSSION AND POSSIBLE ACTION REGARDING**
22 **EXPANSION OF CAL BANK SERVICES FOR PAYMENT OF**
23 **VENDOR ACCOUNTS**

24 Mr. Chadd reviewed this matter with the Board noting TCWD currently receives ACH
25 services from Cal Bank and discussed the opportunity and advantages of expanding this service
26 to include other critical vendors.

27 A list of potential vendors was provided to the Board. Discussion occurred regarding
28 protections and securities in place and cost savings to the District.

1 MOTION: A motion was made by Director Disston and seconded by Director
2 Haselton to move staff recommendation. The motion carried 4-0 with
Director Acosta absent.

3 **LEGISLATIVE MATTERS**

4 **ITEM NO. 1L. REVIEW AND DISCUSSION OF SOUTH ORANGE COUNTY**
5 **ISSUES REGARDING THE MUNICIPAL WATER DISTRICT OF**
6 **ORANGE COUNTY (MWDOC)**

7 Mr. Chadd provided information to the Board as it relates current issues between the nine
8 South County agencies and MWDOC.

9 Director Disston provided a recap of his recent meeting with Directors from other
10 agencies in their review and analysis of MWDOC's endeavors.

11 The Board received and filed the information.

12
13 **ITEM NO. 1M REVIEW OF LOCAL GOVERNMENTAL AND LEGISLATIVE**
14 **INFORMATIONAL ITEMS**

15 Mr. Chadd advised their was no new information to report.

16
17 **END ACTION CALENDAR**

18 **OTHER MATTERS**

19 Mr. Chadd advised the Board he and staff met with the County of Orange earlier in the
20 week. The County of Orange has expressed interest in improving Trabuco Creek Road and is
21 seeking donation of easement from TCWD. TCWD legal council is currently reviewing the
22 matter.
23

24 Mr. Chadd advised the Board there has been a request for public records from the Orange
25 County Register. A mass public records request was sent to all Cities and Water Purveyors as a
26 result of the recent City of Bell situation. TCWD will respond to the request within the 10 day
27 time period and will begin preparation of the requested information.
28

1 Mr. Chadd discussed two meter issues within the District. Mr. Chadd advised the Board a
2 letter has been sent to homeowner's regarding access to meter has been compromised by
3 surrounding hardscape and presents a hazard.

4 Mr. Chadd updated the Board as to the status of the felony water theft and pending
5 prosecution by the District Attorney's office

6 **ADDITIONAL DIRECTORS' COMMENTS**

7
8 There were no additional comments.

9 **ADDITIONAL GENERAL MANAGER COMMENTS**

10 There were no additional comments.

11 **ADJOURNMENT**

12 At 8:43 p.m. President Safranski adjourned the August 18, 2010 Regular Board Meeting.
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15 Respectfully Submitted,
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18 _____
19 Teresa Teichman
20 Secretary to the Board of Directors
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